

# INDUSTRY CIRCULAR

DEPARTMENT OF  
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Washington, D.C. 20226

Number: 76-25

Date: November 24, 1976

*gato*

## RETURN AND EXCHANGE OF DISTILLED SPIRITS AND WINE IN U.S. SIZE CONTAINERS FOR METRIC SIZE CONTAINERS

Proprietors of Distilled Spirits Plants, Bonded Wine Cellars,  
Taxpaid Wine Bottling Houses, Importers, Wholesale Liquor  
Dealers and Others Concerned:

It has come to the Bureau's attention that some trade buyers are considering the exchange of their inventory of merchandise in U.S. sizes for merchandise in metric sizes when the metric sizes become available.

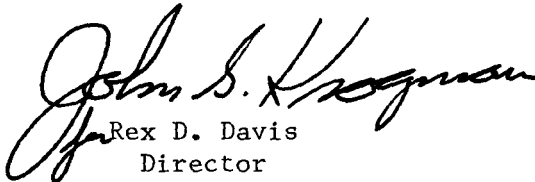
Section 5(d) of the Federal Alcohol Administration Act makes it unlawful, within the jurisdictional limits set forth, for an industry member to sell to a trade buyer with the privilege of return. Transactions involving the bona fide return of merchandise for ordinary and usual commercial reasons arising after the merchandise has been sold are not prohibited.

When metric standards were adopted, a lengthy phase-in period was provided for the purpose of promoting an orderly transition from U.S. to metric sizes. Complete conversion will not be effective until January 1, 1979, and January 1, 1980, for wine and distilled spirits respectively.

With this conversion period having been specifically provided for the purpose of allowing an orderly phasing-in of the metric sizes, the Bureau does not feel that the mass return or exchange of U.S. sizes can reasonably be considered a return for ordinary and usual commercial reasons arising after the merchandise has been sold.

Trade buyers (retailers and wholesalers) are reminded that section 5(d) of the Act makes it equally unlawful for them as well as the industry member to engage in the practices proscribed by that section.

Inquiries concerning this circular should refer to its number and be addressed to the Assistant Director, Regulatory Enforcement, Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, NW., Washington, DC 20226.

  
Rex D. Davis  
Director

Department of the Treasury  
Bureau of Alcohol, Tobacco and Firearms  
Washington, D.C. 20226

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